

Statement for the Record by E. Anthony Wayne
Assistant Secretary of State
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Before the Senate Foreign Relations Committee
July 20, 2000

Mr. Chairman, on behalf of the Department of State I appreciate the opportunity to present the views of the Administration concerning three treaties submitted to you for advice and consent: first, the Food Aid Convention, 1999; second the International Plant Protection Convention; and third the International Labor Organization Convention 176 on Safety and Health in Mines. The Administration recommends speedy ratification of all three of these treaties and hopes you will share the view that all three are in the best interests of the United States.

I. Food Aid Convention (FAC), 1999

The Food Aid Convention (FAC) 1999 replaces the Food Aid Convention of 1995, which expired June 30, 1999. The Convention provides an international forum for donors to discuss food assistance to needy countries. Parties to the 1995 Convention are the major food aid donors and include the United States, the European Union, Japan, Canada, Australia, Norway, Switzerland and Argentina. The Food Aid Convention 1999, like its 1995 predecessor, commits the United States to donate or sell on concessional terms at least 2.5 million tons of food aid annually. The treaty was submitted to the Senate October 13, 1999.

We believe the Food Aid Convention (FAC) 1999 will play a critical role in helping to ensure that food aid from major donors reaches the world's neediest people on a regular and predictable basis irrespective of fluctuations in world food prices and supplies. No implementing legislation is required to carry out U.S. obligations under FAC 1999. Administrative duties overseas are handled by the Secretariat of the International Grains Council (an inter-governmental organization concerned with grains trade based in London since 1949) and in the U.S. by the Department of State. In both cases, personnel are already in place.

For your background information, 1996 saw both the World Food Summit in Rome and the World Trade Organization's Singapore

Ministerial. Developed and developing countries alike agreed at the World Food Summit that enhancement of world food security was necessary. At the WTO Conference, Ministers recommended that the parties to the Food Aid Convention "*establish a level of food aid commitments, covering as wide a range of donors and donable foodstuffs as possible...sufficient to meet the legitimate needs of developing countries.*" In response, parties to the 1995 Food Aid Convention decided to open the FAC for re-negotiation in December 1997.

Parties held nine rounds of negotiations during 1998 and early 1999 and completed the new Food Aid Convention in April 1999. It has an initial three-year duration, but can be extended for successive periods, not exceeding two years in each extension. The Food Aid Convention, 1999 entered into force on July 1, 1999. Argentina, Austria, Ireland, Sweden, Denmark, Finland, Portugal, Luxemburg, Netherlands, Italy, Greece, Australia, Switzerland, and Canada have ratified the Food Aid Convention, 1999. The United States signed the Convention on June 16, 1999 and is being treated as a provisional party pending Senate consent and advice and deposit of the U.S. instrument of ratification. A number of other states are still applying the 1999 Convention only provisionally: Belgium, EC, France, Germany, Japan, Norway, Spain and the U.K.

The 1999 Convention's stated objectives are to "*contribute to world food security and to improve the ability of the international community to respond to emergency food situations and other food needs of developing countries.*" FAC parties will make food aid available to developing countries with the greatest need on a predictable basis, irrespective of fluctuations in world food prices and supplies. Food aid is directed to the alleviation of poverty and hunger of the most vulnerable groups. FAC parties make specific annual minimum commitments, thus setting a "floor" for food aid. Needy developing countries thus gain some security in knowing that food aid will be forthcoming even in the event of high world prices and scarce supply.

The new FAC aims at achieving greater efficiency in all aspects of food aid operations. FAC parties have agreed to place greater emphasis on the monitoring and evaluation of food aid operations. They also have agreed to support the efforts of recipient countries to develop and implement their own food aid strategies.

While focusing upon the least developed countries, the Convention also recognizes that even lower middle income countries experience food emergencies and also have vulnerable groups within their borders. Thus these states remain eligible recipients under the new Convention, and the Convention remains a flexible instrument.

Grains continue to represent the bulk of eligible products under the 1999 Convention. However, the list has been broadened to include edible oils, skimmed milk powder and milk products. Another important innovation is the inclusion of "micro-nutrients" including fortified products (e.g., vegetable oil fortified with Vitamin A) and vitamin supplements.

Under the new Convention, the specific annual commitments of FAC parties can be commodities (in metric tons), cash value, or a combination of both. (The United States will provide commodities.) The United States has pledged to provide a minimum of 2.5 million metric tons (in grain equivalent) annually. The European Union, which contributes cash and commodities, has pledged to provide 1.32 million metric tons plus 130 million Euros cash. (The other six parties to the Convention have made their pledges in metric tons of commodities.)

The total annual minimum commitment of FAC parties is slightly below five million metric tons (in grain equivalent) plus 130 million Euros. Donors have agreed, to the extent possible, to bear the cost of transportation, particularly in the case of emergency food aid or when food aid is directed to least developed countries.

All food aid to least-developed countries covered by parties' minimum annual commitments will be in the form of grants. However, parties will continue to have the option of providing food aid to low-income and lower middle-income countries in the form of long-term concessional loans (such as under the U.S. P.L.-480 Title I program), thus retaining another important element of flexibility. Parties agree not to tie the provision of their FAC food aid to commercial exports of goods and services to recipient countries.

To promote local agricultural development, donors agree to consider purchasing food from a developing country for supply to a recipient country or to buy food in one part of a developing country for supply to another part. This process helps

strengthen regional and local markets and enhances the longer-term food security of recipient countries.

The United States remains the world's food aid leader, providing over 40 million tons, or 54 percent of the world's total, from 1990 through 1999. The EC provided the second largest amount through the same period with 20 million tons or 27 percent of the total. The Food Aid Convention, 1999, by expanding the list of eligible food aid commodities, has made a significant step toward sharing the burden of food aid more equitably. Countries which are not grain exporters are now able to donate useful commodities such as milk powder or vegetable oil. While no new donors have joined the FAC, outreach is planned to encourage those nations which have become middle-income countries to shoulder a greater share of the world's food aid needs.

U.S. food aid, under the Food Aid Convention, is an extremely valuable tool to alleviate suffering and raise standards of living among the poorest of the poor. Food aid not only feeds hungry people, but also provides a key resource in programs like "food for work" that help make poor nations less vulnerable to future food shortages. Examples include making drainage ditches and roads in agricultural areas in Bangladesh and reforestation projects in Peru and Bolivia to reduce erosion. We have had many successes, and in some cases made the difference between life and death. Food aid has prevented mass starvation in Ethiopia and assisted rebuilding in countries such as Honduras harmed by natural disasters like hurricane Mitch. Our food aid programs have enabled us to feed the hungry in other places devastated by wars and natural disasters, such as Bosnia-Herzegovina, Eritrea, Albania, Mongolia and Rwanda.

Yet we must be careful not to create the misperception that U.S. food aid benefits only people in far off lands. In reality, U.S. food aid also helps our farmers right here at home. The most productive in the world, U.S. farmers produce more food than Americans can consume. Food assistance programs are an effective way of linking U.S. surpluses with the deficits that exist around the world. Last year alone, the U.S. government purchased over nine million tons of commodities from U.S. farmers, including wheat, corn, soybeans, pork, planting seeds, rice, lentils, dry beans and milk, to provide as food aid worldwide.

Clearly, the roots of U.S. food aid run deeply into the soil of America's farms. We are aware of no domestic opposition

to the Food Aid Convention. Mr. Chairman, I urge you and the Senate to provide your advice and consent to U.S. ratification of the Food Aid Convention, 1999.

II. International Plant Protection Convention (IPPC)

Mr. Chairman, the International Plant Protection Convention (IPPC) was established in 1952 and has been revised twice since then (1979 and 1997). It is administered and supported through the United Nations Food and Agricultural Organization (FAO) based in Rome. The revised Convention was submitted to the Senate on March 23, 2000. Originally, the Convention's main goal was to promote cooperation among countries in preventing the spread of plant pests associated with the movement of commodities, people, and conveyances.

The Convention, in its early years, provided crucial direction in the area of plant health and the United States has been a leading force in furthering the work of the IPPC. The IPPC parties committed governments to establish national regulatory systems capable of conducting pest surveillance; inspecting imports; certifying exports as free of pests; informing other countries of their plant health import requirements; notifying parties of emerging pest threats; and working together in joint pest control and eradication programs. These safeguarding objectives were, and continue to be, fully in line with our goals of trying to deter and prevent the spread of harmful plant pests into the United States. The IPPC has 110 signatories. Fifteen countries have already ratified the revised Convention and deposited their official letters of acceptance with the FAO including Sweden, Australia, New Zealand and several developing countries.

Preventing the spread of pests, without disrupting trade between countries, is what brought quarantine officials together at the IPPC, and continues as the organization's guiding principle. Since its inception, the IPPC has maintained and promoted the concept that regulatory actions that affect trade MUST have a technical justification. This concept foreshadowed the obligation contained in the Uruguay Round Agreements on Sanitary and Phytosanitary (SPS) measures -- that health-related requirements in trade be based on science.

Why revise the Convention? The last revision to the Convention occurred over 20 years ago. Since then, plant

quarantine practices and concepts have evolved. In addition, the expansion in agricultural trade has created a greater need by industry and governments for harmonized approaches to risk management. Both exporters and regulatory agencies need an international framework harmonized decision-making processes to govern trade in grain, fruit, vegetables, and other agricultural and forest products. Moreover, the threat from invasive species has intensified in recent years as global commerce has expanded.

The recent Uruguay Round Agreement on SPS sets out the rights and obligations of countries to take protective measures and promote fair trade practices. This is consistent with U.S. support for a science-based, rules-based system, which prevents the use of arbitrary and unjustified technical measures as disguised barriers to trade. In this new environment, IPPC signatory countries, including the United States, agreed on the need to modernize the IPPC.

Throughout the negotiations to revise the Convention, we held two key objectives. First, we sought to reinforce and clarify within the Convention itself the obligation that regulatory measures that affect trade be firmly based in science. Second, we wanted to ensure that the IPPC was positioned to play a full and active role as a global standard setting body in the area of plant health. We feel that we accomplished these objectives. However, this revision to the IPPC does not impose any new obligations on the United States.

Let me give you some examples of what the revised text provides:

- First, it clarifies and strengthens the requirements that phytosanitary measures be based on science. The existing Convention is unclear about the nature of the technical justification required to support a measure. The revised text is quite explicit about what it means to base a measure on science. We incorporated specific provisions on the use of risk analysis as a basis for regulatory decision making.
- Second, it incorporates important principles of transparency, nondiscrimination, and science-based regulatory actions throughout the text, thereby making it more difficult for countries to use arbitrary and unjustified phytosanitary requirements as barriers to trade.
- Third, it formalizes the IPPC standard setting procedure within the Convention in order that plant quarantine officials

may play an active role in the development and adoption of international phytosanitary standards.

- Fourth, it clarifies some of the basic procedures for information exchange to ensure that information on potentially harmful pests as well as import regulations are notified between parties to reduce the risk of pest spread and minimize unnecessary trade disruptions.

Why is the revised IPPC important to agriculture? The primary benefit we expect from IPPC activities in the coming years is to expedite the development of international plant health standards. This development will contribute to greater harmonization of phytosanitary measures used in trade, thereby providing greater predictability for our exporters. In fact, a 1998 survey of a cross-section of U.S. industry involved in plant-related commodities (including food producers, horticultural industries, and nurseries) made clear industry's interest and need for more standards to govern their trade and provide greater predictability with respect to foreign regulatory practices that affect their business decisions.

Having a common, or harmonized, set of concepts, terms, and approaches in the phytosanitary area is essential for facilitating industry and intergovernmental discussions and resolving disputes over pest and disease issues that affect trade. A common vocabulary or agreement on basic quarantine practices, provide a solid basis for trying to sort out and resolve our differences over these issues. This common vocabulary allows us to engage with our foreign regulatory counterparts on disease risk issues related to the movement of citrus to Mexico and Korea, or tobacco to China, or wheat to Brazil.

Mr. Chairman, we believe that IPPC standards and activities in the years ahead will have a significant impact on agricultural trade. International standards will help prevent disputes from occurring in the first place and, when they do, they will serve as important benchmarks for use by WTO dispute panels that may be formed to decide phytosanitary trade disputes. In fact, an IPPC standard (i.e., guidelines for conducting pest risk analysis) was a crucial tool in the recent WTO dispute between the U.S. and Japan concerning trade in fruit, in which we obtained a favorable ruling. This standard was critical in the panel's evaluation of Japan's phytosanitary practices which were harming our agricultural trade interests.

The IPPC standard-setting functions have become more visible as a result of the WTO's SPS Agreement, somewhat overshadowing the institution's equally important role in sharing information internationally. The IPPC contains several provisions regarding specific kinds of information to be exchanged between parties. These include:

1. Pest Reporting: Parties are required to inform each other of the occurrence or outbreak of pests within their territory which may pose a potential threat to other parties.

2. Phytosanitary Measures: The IPPC requires parties to share copies of new or amended phytosanitary legislation or regulations with other parties who may be affected. This requirement includes providing on request the rationale for these new or amended phytosanitary measures.

Also, the newly revised text of the IPPC requires parties to establish official contact points. Generally, the chief plant protection officer at the national level is the official contact point. (Each party submits a contact point to the Secretariat, which compiles a directory.) The intent of establishing a system of official contact points is to facilitate the exchange of information directly between parties. These contact points are critical for making it easier to communicate on urgent issues related to export certification, pest issues, and other phytosanitary matters.

Standard setting has become a key part of our strategy of creating a stable trade system that consists of sound quarantine principles and is predictable from the standpoint of an American farmer trying to export his products to foreign markets. International standards are critical for achieving a trade system that balances the need for health protection with a need for predictability and fairness in trade practices.

A top priority for the United States overall is to increase and expedite the development of phytosanitary standards to govern trade in fruit, vegetables, and other plant commodities. U.S. horticultural, grain, and nursery industries have indicated that increasing the number of regional and global standards to provide greater predictability in trade is a high priority for them. The revised Convention allows us to pursue these strategic objectives.

Also of strategic significance to agriculture is the advent of new products derived from biotechnology. We are currently

facing some serious challenges in the way countries are viewing and treating these new food and agricultural products. While some environmental groups have raised questions regarding the scope and application of the Convention to protection of plants and the environment, we have clarified to these groups and assured them that the Convention does indeed help protect plants and the environment. We see the IPPC framework as the appropriate forum for developing science-based standards to assure that trade in these products is not hindered by unjustified phytosanitary standards and that U.S. farmers will continue to benefit from being able to export new agricultural products to overseas markets.

Today, we have an opportunity to demonstrate continued U.S. leadership and interest in international standards by acceptance of the revised Convention as soon as possible. Completing the acceptance process within the United States this year will send a clear signal to our trade partners that the United States remains fully committed to strengthening agricultural trade conditions through the development and use of science-based international plant protection standards and rules. Ratification of the treaty will help eliminate and prevent arbitrary or unjustified barriers to trade and help U.S. farmers and exporters of agricultural products.

No changes in law or administrative action will be required to implement the IPPC. Existing plant protection statutes already enable the U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) to discharge its responsibilities under the Convention. Appropriate staff and regulations are already in place.

We hope that you will give this treaty your favorable consideration and thank you for the opportunity to present our position.

III. International Labor Organization (ILO) Convention 176 on Mine Safety and Health

The International Labor Organization (ILO) Convention 176 "Concerning Safety and Health in Mines" was submitted to the Senate by the President on September 9, 1999. Representatives of the U.S. Government, as well as U.S. worker and employee organizations, played a leading role in the negotiations leading to the ILO's adoption of the Convention, on June 22, 1995. The Administration strongly supports ratification of this

Convention, which will help improve working conditions for miners around the world, while promoting a level, competitive playing field for the American mining industry.

Convention 176 obligates ratifying states to formulate, carry out, and periodically review a consistent policy on safety and health in mines. So far 14 countries have ratified Convention 176: Armenia, Austria, Botswana, Finland, Germany, Ireland, Lebanon, Norway, Philippines, Slovakia, South Africa, Spain, Sweden and Zambia. In addition, ratifying states are to develop national laws and regulations to effect implementation of the Convention's provisions. Responsibilities for employers are established in the provisions of the Convention, as are specific rights and duties of workers and their representatives. The obligations, policies, responsibilities, rights and duties of the Convention are fully consistent with existing U.S. mine safety and health laws and regulations. No new legislation, personnel, or organization is needed to implement the Convention.

Convention 176 was patterned after U.S. law: the Federal Mine Safety and Health Act of 1977, a statute that has proven its effectiveness in protecting miners' safety and health. The Tripartite Advisory Panel on International Labor Standards (TAPILS), which includes representatives of the American Federation of Labor - Congress of Industrial Organizations and the U.S. Council for International Business, as well as the Departments of Labor, Commerce and State conducted a detailed examination of the Convention. TAPILS also examined how U.S. law and practice conform to its provisions.

TAPILS conducted its review using the three ground rules adopted by the Senate in 1988. These rules require that each convention related to labor be examined on its merits by the TAPILS participants; that any differences between the Convention and U.S. law and practice be addressed in the normal legislative process, and that there is no intention to change state law and practice through the ratification process. These ground rules work to assure that the legal consequences, if any, of ratification are identified and addressed prior to ratification. Since the requirements of the Convention are fully consistent with existing U.S. mine safety and health policy and law, TAPILS concluded that there are no legal impediments to U.S. ratification of Convention 176.

Ratification of Convention 176 presents an opportunity to advance safety and health in the mining industry throughout the

world by establishing uniform safety and health standards. Ratification of Convention 176 would also help the American mining industry compete in this increasingly global economy. The United States is among the leading exporters of coal in the world. Wide ratification of this Convention would help ensure that mining companies around the world must meet basic safety and health standards. It would also promote market opportunities for American companies that manufacture mining equipment that meets safety and health standards. For these reasons, both the United Mine Workers of America and the National Mining Association support ratification of Convention 176. The U.S. Council for International Business, representing more than 500 members including the "Fortune 250," is also in support of ratification of the Convention.

As the President stated on September 9, 1999 "Mining has long been recognized as one of the most dangerous jobs in the world. Men, women and sometimes even children are exposed to hazards that can claim their lives or destroy their health... Despite the considerable advances in safety and health throughout this century, mining remains one of the most hazardous occupations worldwide."

Recent events attest to his remarks. In March 2000, a methane explosion in the Ukraine resulted in the deaths of 80 coal miners. New reports indicate that mining accidents in China killed more than 3000 miners in 1999, and that more than 2,700 miners were killed in the first half of 2000. The United States began the 20th century with thousands of miners losing their lives annually in mining accidents, but closed the century with fewer than 100. Ratification of Convention 176 will help raise safety and health protections for miners throughout the world. We strongly request your favorable consideration of this important Convention.

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Cleared: (For FAC and IPPC)
 EB/FO:Bsamuel - ok
 EB/TPP/ATT/ATP: Awinton - ok
 EB/TPP/IPC: JMessenger - ok
 EB/PAPD:Rcekuta -ok
 IO/D: JAllen - ok
 L/EB: Mchandler, - ok 7-5242
 L/T:JZylman, - ok 7-2052
 OES: Thobgood - ok
 E: Dcamner - ok
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(For Mining Safety)
 IO/T: Jwilliamson - ok
 EB/PAPD: Rcekuta - ok
 H:Dnorell - ok
 E:Dcamner - ok
 L/T:Jzylman - ok
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